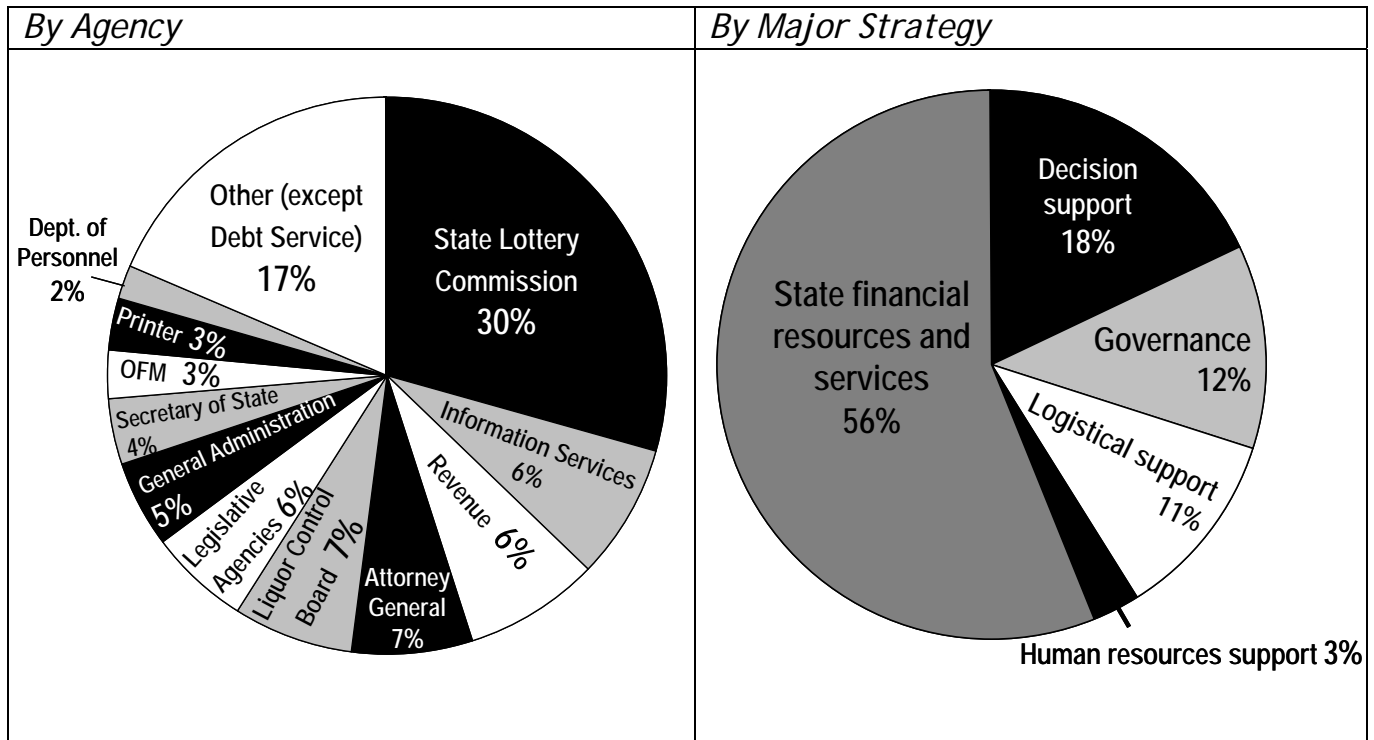


GMAP Fiscal Report

Government Efficiency

Biennial Operating Budget* = \$2.5 billion All Funds
\$508 million GFS

(Fund Sources: federal, dedicated funds, 21% GFS)



Current Fiscal Status (Major Agencies)

July 2005 - January 2006 Expenditures

Dollars in Thousands

| | Estimates-to-date | Actuals-to-date | Current Variance under/(over) | Prior Report |
|--------------------------------------|-------------------|-----------------|-------------------------------|--------------|
| State Lottery Commission | 212,944 | 211,908 | .5% | (.3)% |
| Department of Information Services | 63,503 | 57,798 | 9.0% | 21.2% |
| Department of Revenue | 54,696 | 52,402 | 4.2% | 7.4% |
| Office of Attorney General | 60,340 | 54,125 | 10.3% | 11.5% |
| Liquor Control Board | 55,487 | 54,243 | 2.2% | (9.1)% |
| Legislative agencies | 16,218 | 15,028 | 7.3% | 7.3% |
| Department of General Administration | 37,986 | 41,850 | →(10.2)% | .4% |
| Secretary of State | 37,986 | 29,544 | →22.2% | 37.7% |
| Office of Financial Management | 36,004 | 34,101 | 5.3% | 30.7% |
| Department of Personnel | 17,095 | 26,598 | →(55.6)% | (130)% |
| State Printer | 17,963 | 5,182 | →71.2% | 58.1% |
| Bond Retirement and Interest | \$868,089 | \$862,902 | .6% | .8% |

* Does not include \$2.06 billion (\$1.4 billion GFS) for Bond Retirement and Interest.

GMAP Fiscal Report

Government Efficiency

Current Fiscal Status (Selected Agency Detail)

July 2005 - January 2006 Expenditures

Dollars in Thousands

| | Estimates- to-date | Actuals- to-date | % Variance under/(over) | Prior Report |
|---|-----------------------|---------------------|----------------------------|-----------------|
| Department of Information Services | | | | |
| FTE Staff | 438.5 | 413.3 | 5.8% | 4.4% |
| Management Support | 4,344 | 3,584 | → 17.5% | 21.9% |
| Policy and Regulation | 1,047 | 861 | → 17.9% | 17.1% |
| Telecommunications Services | 31,069 | 28,725 | 7.5% | 15.2% |
| Computer Services | 20,320 | 18,002 | → 11.4% | 16.0% |
| K-20 Technology | 6,722 | 6,625 | 1.4% | 56.7% |
| Agency Total | 63,503 | 57,798 | 9.0% | 21.2% |
| Department of General Administration | | | | |
| FTE Staff | 576.6 | 585.5 | (1.6)% | (2.3)% |
| Administration | 20 | 32 | (61.0)% | NA |
| Procurement | 4,323 | 6,723 | → (55.5)% | (6.3)% |
| Facilities Engineering Services | 2,147 | 2,251 | (4.8)% | 1.3% |
| Statewide Operations | 8,890 | 9,080 | (2.1)% | 4.8% |
| Capital Planning and Management | 22,606 | 23,763 | (5.1)% | (1)% |
| Agency Total | 37,986 | 41,850 | (10.2)% | .4% |
| Department of Personnel | | | | |
| FTE Staff | 213.9 | 241.1 | (12.7)% | (13.1)% |
| Technical Personnel Services | 6,103 | 6,071 | .5% | 3.1% |
| Human Resource Information Systems | 10,991 | 20,527 | → (86.8)% | (267.9)% |
| Agency Total | 17,095 | 26,598 | (55.6)% | (130)% |
| State Printer | | | | |
| FTE Staff | 137.5 | 133.4 | 3.0% | 5.6% |
| Administration | 17,963 | 5,182 | → 71.2% | 58.1% |
| Office of Financial Management | | | | |
| FTE Staff | 294.7 | 299.0 | (1.5)% | .7% |
| Administration | 951 | 880 | 7.5% | 4.0% |
| Budget | 2,114 | 2,107 | .3% | 21.4% |
| Information Services | 2,508 | 2,468 | 1.6% | 16.3% |
| Support Services | 276 | 237 | → 14.0% | 26.3% |
| Accounting/Fiscal Services | 908 | 903 | .6% | 11.7% |
| Statewide Policy | 2,914 | 2,405 | → 17.5% | 27.1% |
| Forecasting | 1,245 | 985 | → 20.9% | 29.6% |
| Management/Productivity | 1,434 | 1,541 | (7.4)% | (4.1)% |
| Risk Management | 10,298 | 10,247 | .5% | 34.4% |
| Financial Systems Management Group | 6,234 | 6,705 | (7.6)% | 1.2% |
| Local Improvement Districts | 38 | 27 | 28.3% | 0% |
| Special Projects | 7,085 | 5,596 | → 21.0% | 69.5% |
| Agency Total | 36,004 | 34,101 | 5.3% | 30.7% |

GMAP Fiscal Report

Government Efficiency

Key Fiscal Issues

Department of Information Services

2006 Supplemental Budget

A rate increase for some services is included in the Governor's budget in order to make those services self-supporting.

Expenditure Trends

- **Management Services:** The under-expenditure is primarily in the areas of salaries and benefits, and goods and services. The under-expenditure for salaries and benefits is due to staff vacancies and longer than anticipated recruitment for these positions. The goods and services under-expenditures are related to the staff vacancies and lower than anticipated costs in the areas of education and training, purchased services and administrative expense, such as Attorney General charges.
- **Policy and Regulation:** The under-expenditure is primarily in the area of salaries and benefits, and goods and services. This is due to staff vacancies and delays in expenditures for purchased services in support of the division.
- **Computer Services:** The under-expenditure is primarily in the areas of salaries and benefits, goods and services, and capital equipment. These under-expenditures are due to staff vacancies, lower than expected costs for software, hardware maintenance and purchased service acquisitions, and changes to the acquisition schedule for mainframe hardware and software.

Agency Action Plan

The DIS Human Resources office is providing direct support to the divisions on recruitments. In addition, DIS will work with the Department of Personnel to assist with the recruitment for the positions that have been difficult to fill.

Department of General Administration

2006 Supplemental Budget

- \$256,000 General Fund-State and 2 FTEs to support ESSB 5509 High Performance Buildings, and SHB 1830 Capital Projects Advisory Review Board;
- \$129,000 Other Funds to hire a resource conservation manager who will assist agencies in implementing energy conservation plans in order to save in future energy costs.

Expenditure Trends

Procurement Program explanation: \$1.9 million of the Procurement Program's over-expenditure is from consultant payments that supported the Governor's Washington SmartBuy Partnership. Procurement's reserve was used to cover most of this cost with the remainder covered on a short-term basis by other reserves. The agency anticipates building back up to the desired Procurement reserve by Fiscal Year 2009. Another \$300,000 of the over-expenditure is caused by equipment replacement that was not anticipated to be required during 2005-07. There is sufficient revenue and working capital balance to cover the cost of this equipment. The agency will be reviewing all of its non-appropriated spending plans to update other planned changes from our current allotments.

Agency Action Plan

None needed at this time.

GMAP Fiscal Report

Government Efficiency

Department of Personnel

2006 Supplemental Budget

- \$6.4 million Personnel Services Revolving Account for the renegotiated project scope and schedule for the Human Resources Management System;
- \$7.4 million Data Processing Revolving Account for the Pay Raise Deferment Project made necessary by the Legislature's differential implementation for salary increases;
- \$125,000 Data Processing Revolving Account, to modify the new Human Resources Management System to accommodate the new Public Safety Employees Retirement System.

Expenditure Trends

The department's Human Resource Information Systems Division is significantly overspent because many hours of programming time were necessary to change both the old and the new payroll systems to accommodate different salary increase implementation dates based upon the legislative budget. Relief from this over-expenditure problem is requested in DOP's 2006 Supplemental Budget request.

Agency Action Plan

None needed at this time.

State Printer

Expenditure Trends

At OFM's request, and as part of a pilot project in the 2005-07 Biennium, the State Printer allotted Cost of Goods Sold (materials, direct labor, etc.) in addition to its administrative expenses. (Typically, agencies do not allot Cost of Goods Sold.) After the allotments were approved, it was determined that the current OFM monitoring system could not accommodate the reporting of actual expenditures for Cost of Goods Sold for only one agency. Consequently there is a mismatch between the Printer's estimated expenditures, which include Cost of Goods Sold, and the reported actual expenditures, which do not. If this object of expenditure were not included in the estimates, the estimate and actuals for this reporting period would be \$5,102,800 and \$5,181,741, respectively—a variance of 1.6 percent. (If the estimate for Cost of Goods Sold were included, the total estimates and actuals would be \$17,962,800 and \$18,419,644, respectively—a variance of 2.5 percent.)

Agency Action Plan

Allotments will be revised to exclude Cost of Goods Sold in future reports.

Office of Financial Management

2006 Supplemental Budget

- 1.2 FTEs, and \$1.2 million Other Funds for a Roadmap Feasibility Study;
- 5.3 FTEs, and \$3.1 million Other Funds for further develop of Enterprise Systems;
- 2.3 FTEs, and \$470,000 General Fund-State to fund the WorkFirst Performance Team;
- \$500,000 in Other Funds to replace the current Capital Budget System;
- 2.5 FTEs and \$2.8 million General Fund-State for the Management and Accountability Proposal (shifted from the State Auditor's Office);
- \$200,000 General Fund-State for the Policy and Consensus Center;
- \$200,000 General Fund-State to fund Capital Predesign Evaluations;
- \$550,000 General Fund-State for Regulatory Improvements;
- \$100,000 General Fund-State to fund a study of State Parks capital budget needs.

Government Efficiency

Expenditure Trends

For the following areas, Support Services, Statewide Policy Division, Forecasting, and Special Projects, the under-expenditures are related to unexpended contract balances. Contracts have been signed, and work begun, but the vendor invoices are lagging behind the estimated time of payment. The agency expects the variances to decrease as the end of the fiscal year approaches.

Agency Action Plan

None needed at this time.